

region on this matter. For example, the IFC's counsel led to the first joint venture in the telecommunications field in Jordan. The IFC's strategy stresses more judicious development of natural resources, particularly in Central Asia. One of the most important prongs of the Corporation's strategy has been advising on and financing privatization. The IFC was particularly successful on that front in Morocco, where it IFC supported the establishment of a special privatization fund. Finally, the IFC has provided countries in the region with many technical assistance and advisory assignments.

IFC Operations in Tunisia

As of June 30, 1995, IFC held investments in Tunisia totalled US\$39 million, almost all of which took place before 1992. However, two projects were approved in 1995 which should re-establish the IFC's importance in Tunisia. Firstly, the IFC decided to invest US\$6.3 million, representing roughly 14% of total project cost, in a project designed to create an off-shore equity fund to realize long-term capital gains from equity investments in privately held companies and privatizing public enterprises. Secondly, the IFC approved a project aimed at establishing a merchant bank offering services such as trade financing, portfolio management and underwriting, and will invest US\$300,000 in equity in the project.

The IFC has always offered significant technical assistance and advice for projects in Tunisia. In 1995, this assistance was given through the Foreign Investment Advisory Service (FIAS), which conducted a study of the attractiveness of certain manufacturing sectors to foreign investors.

In the coming years, the IFC will continue to place focus on the sectors it has traditionally emphasized, such as tourism and manufacturing of chemicals, pharmaceuticals, construction materials and textiles. At the same time, the IFC is expected to diversify its efforts in Tunisia. For example, the IFC has invested in Tunisia's first leasing company. The IFC will continue to contribute to the development of Tunisia's capital market, through the creation of specialized financial institutions. As the dinar becomes convertible and privatization takes effect, the climate for private sector investment will improve significantly.

Canadian Involvement in IFC Projects in Tunisia (FY 1989 to 1995)

The following table outlines Canadian involvement in IFC